



**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE**

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SALLY R. REED
CHIEF ADMINISTRATIVE OFFICER

February 23, 1995

To: All Department Heads

From: Sally R. Reed
Chief Administrative Officer

Subject: **CONTRACT CLAUSES DELEGATING AUTHORITY TO APPROVE
INCREASES**

On February 14, 1995, in conjunction with Board approval of a proposed contract which included a clause allowing the relevant department head to approve an increase of up to 10 percent over the Board-approved amount, Supervisor Yaroslavsky made the following request:

- The Chief Administrative Officer should review and approve clauses in proposed contracts which delegate to department heads the authority to approve stipulated percentage increases in the total contract amount; and
- Such contract clauses should stipulate as specifically as possible the criteria for allowing a department head to approve such increases.

Therefore, effective immediately, you should share such proposed contract language with your CAO budget analyst for review and approval prior to filing a contract for a Board agenda. An element of this review will be to ensure that the contract language sets forth sufficiently detailed criteria for allowing contract increases via delegated authority.

Given the multiple demands on all of our time, particularly during these difficult budget times, I encourage you to provide this information to your assigned CAO analyst at your earliest opportunity to avoid any delay in placing the relevant contract before the Board for approval.

Thank you for your assistance and cooperation.

SRR:LMJ
MKZ:kb

c: Each Supervisor